The 2018 Environmental Scan

The AHA identifies the forces shaping health care in America
Finding common themes and insightful trends in the health care field in this time of transformation and uncertainty can be challenging. But we must if we want to be proactive and shape events rather than merely react to them. Understanding the current climate and the direction of health in America will help us in our work to shape the health care delivery system of the future.

The legislative and policy work happening in Washington, D.C., and 50 state capitals is not the only driver of environmental changes. Advances in science, technology and information management; new models of care; changes in consumer preferences; and the growth of chronic conditions also play a large role. Addressing these issues provides us with the opportunity to find the best solutions for our patients and communities.

The American Hospital Association and America’s hospitals and health systems are seizing this moment and working to ensure:

- Coverage and access for all.
- High-value care.
- Patients, families and other stakeholders are involved as partners.
- Well-being and prevention.
- Services that are provided in a coordinated, seamless manner.

We have organized the trends that will be felt in 2018 and beyond through the lens of this vision: ACCESS, VALUE, PARTNERS, WELL-BEING, COORDINATION. These five commitments are the basis of the AHA strategic plan and touch all hospitals and health systems, even while each hospital’s path to achieving these ideals may differ. We hope that hospitals and health systems use this Environmental Scan to address the trends in health care and to tailor strategies to specific community needs.

While we work to advance health in America through our commitments, we cannot ignore the political climate in which health care has become a key focal point. Our advocacy strategies include grassroots efforts to spread our message through mobilization of millions of individual supporters, grass-tops action to amplify our voice through key media and stakeholders, sustained engagement with top policymakers by our advocacy team, data-driven research regarding the impact of potential policy changes, and focused advertising through a variety of media.

We work hand in hand with our members, state, metropolitan and regional hospital associations, national health care organizations and other stakeholders to develop and implement our strategy. We have developed a forward-thinking advocacy agenda that aims to positively influence the environment for patients, communities and the health care field.

Our field knows how to be nimble, stay focused and manage change. These traits will help us to navigate the road ahead. We have the opportunity to shape our future to fulfill our vision of a society of healthy communities where all individuals reach their highest potential for health. Thank you for your efforts to achieve this vision.

Rick Pollack
President and CEO
American Hospital Association

2018
Environmental Scan:

[AFFORDABILITY] "Many of the efforts to restructure our health care system stem from the idea that health care should be affordable to all Americans. We at the AHA have to ensure that proposed reforms provide real solutions to the problem. We must do our part to provide high-quality health care in an efficient way and promote value-based models of care that reduce costs."  
JAMES H. SKOGSBERGH  President and CEO  Advocate Health Care  2017 Immediate Past Chair

[EQUITY OF CARE] "Together as a field, it’s vitally important that we understand the different cultures, customs and languages that are unique to our communities in order to help with the physical, emotional and spiritual dimensions of healing. The AHA’s Equity of Care campaign seeks to strengthen the commitment of hospitals and health systems to eliminate health and health care disparities that continue to exist for our patients. Through these efforts, we’re working hard to ensure that every person in every community has the opportunity to reach their highest potential for health."  
EUGENE A. WOODS  President and CEO  Carolinas HealthCare System  2017 AHA Chair

[INNOVATION] "Fostering a culture of innovation is key as the hospital field moves forward in this era of transformation. It will create novel and efficient systems of care, scientific discoveries and an improved relationship with consumers. Responsibly investing in promising ideas and technologies ultimately will improve care and affordability."  
NANCY AGEE  President and CEO  Carilion Clinic  2017 AHA Chair-Elect
In 2015, Medicaid covered:

- 45% of children and 16% of adults in small towns and rural areas.*
- 38% of children and 13% of adults in metropolitan areas.**
- 62% of residents living in certified nursing facilities.***
- One in ten veterans.****

Medicaid support
The majority of the public — regardless of partisanship — hold favorable views of Medicaid, the government health insurance and long-term care program for low-income adults and children. Surveys show that 74% have a favorable view of Medicaid. Only 1/3 of the public support reducing funding for Medicaid expansion or limiting how much money each state gets from the federal government.**

Cost-Sharing Reduction (CSR) payments
- CSR payments, federal government payments that help to lower co-pays and deductibles for low-income Americans who earn between 100 and 250% of the federal poverty level, will total $7 billion this year if they are all made.*
- About 12 million people bought health insurance through the ACA’s insurance markets for 2017, and 7 million of them (58%) qualified for CSR payments.**

If the CSR payments are halted:
- Silver plan gross premiums, before accounting for tax credits, will rise by 26% in 2018, and 25% by 2020. Silver plans are one of four categories of marketplace plans and are the most common choice among consumers.
- The federal deficit would increase, on net, by $54 billion from 2017 through 2026.***
- More than 70% of voters support help with out-of-pocket health care costs such as deductibles and co-pays.****

Nursing challenges remain
- 1.2 million vacancies will open up for registered nurses between 2014 and 2022.** A combination of an aging patient population and the retirement of nurses contribute to this trend.***
- The Nurse Licensure Compact allows nurses to have one multistate license, with the ability to practice in both their home state and other compact states. 25 states have joined the compact. This program can facilitate telenursing.***

Physician shortage looms
- The nation faces a shortage of between 40,800 and 104,900 physicians by 2030.**
- First-year enrollment at U.S. medical schools has increased by 28% since 2002, with 22 new schools accounting for nearly 40% of the growth.**
- ACGME-accredited, entry-level residency positions are continuing to grow at a rate of about 1% per year. Federal caps on Medicare-funded residency training positions remain effectively frozen at 1996 levels.**

***"Qualification of Certified Nursing Facility Residents by Primary Paper Source," Kaiser Family Foundation, KFF.org
**** "Fact Sheet: Cutting Medicaid Would Hurt Veterans," Families USA, May 2017
***** "There is a critical need for behavioral and social services. Without an adequate and appropriately trained supply of health professionals, the hospital field will have difficulty providing the breadth of services the changing health care environment will demand.

Notes: All state exchange data are self-reported from the exchanges to CMS. All data reflected on this map is a point in time as of September 2017. One exchange carrier: One state exchange offers single carrier coverage. Two exchange carriers: One state exchange offers two carrier coverage. Three exchange carriers: One state exchange offers three carrier coverage. More than three exchange carriers: One state exchange offers three or more carrier coverage.

Medicaid gets a big ‘thumbs up’
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In the 2017 Futurescan survey of hospital executives, nearly 60% indicated that the federal government’s effort to reduce health care spending is among the top factors that concern them most about health care affordability, and 50% cited growing premiums and out-of-pocket medical expenses for patients.

Disparities in health care
Health disparities add significant costs for the U.S. health care system. The total cost of racial/ethnic disparities in 2009 was $82 billion. Below are the projections if disparities remain unchanged:

| Year | Total U.S. Health Care Spending
|------|-----------------------------|
| 2009 | $2.9 trillion
| 2012 | $3.6 trillion
| 2025 | $5.5 trillion


In employer-sponsored health insurance plans, the combination of a high-deductible health plan and a Health Savings Account increases affordability pressure.*

1. In 2015, 24% of all workers were enrolled in a high-deductible plan.
2. Within the next three years, 44% of employers are expected to offer high-deductible plans as the only option.**

*The Financial Benchmark: Working Above the High-Deductible Plan, Dallas, TX: The Advisory Board Co., 2012
**The State of HSAs: Coverage, Health Savings Accounts, and High-Deductible Health Plans, Health Benefits Management Association, 2013

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The drug and opioid crisis

- Drug overdoses are now the leading cause of death among Americans younger than 50. In 2016, they exceeded 95,000, a 19% increase from 2015.
- Since 1999, the amount of prescription opioids sold in the U.S. nearly quadrupled, yet there has not been an overall change in the amount of pain that Americans report.
- The majority of drug overdose deaths (more than six out of 10) involve an opioid.

180% Physicians’ and other health care professionals’ registrations with state-based prescription drug monitoring programs grew 180%. There were 471,896 enrolled in 2014. That number grew to 2,727,996 in 2016.

Mental health issues continue

- Only 45% of adults in the U.S. with a mental health condition received mental health services in the past year.
- African-Americans and Hispanic-Americans received mental health services at about one-half the rate of Caucasian-Americans and at about one-third the rate of Asian-Americans.
- Serious mental illness costs America $153.2 billion in lost earnings per year.

66% say their organizations are fully committed and underway with the transition to value-based care or have experimental or pilot programs.

Healthcare leaders’ perspective

In the first 21 months of the Bundled Payments for Care Improvement Initiative (BPCI), Medicare payments declined more for lower extremity, joint-replacement episodes provided in BPCI-participating hospitals than for those provided in comparison hospitals, without a significant change in quality outcomes.

1 in 5

- One in five adults in the U.S. — 43.8 million, or 18.5% — experiences MENTAL ILLNESS in a given year.
- There is one licensed psychiatrist for every 30,000 people in the U.S., with a projected 30% decrease in the clinician population over the next decade.
- 85% of federally designated behavioral health professional shortage areas are in rural locations.
- Between 2004 and 2014, the number of telemental health visits by rural beneficiaries grew on average 45.4% annually, according to an analysis of Medicare fee-for-service claims.

Value-based care

- The financial incentives in the Medicare Access and CHIP Reauthorization Act will accelerate the transition to alternative payment models not only in the public sector, but also in the private sector.
- Value-based insurance design will speed patients’ understanding of the variation in cost and quality of services among providers.
- Providers need the infrastructure to monitor their quality and financial performance in near-real time, so they can afford to take on risk. Currently, many providers do not have the information they need to manage that risk successfully.

Value-based care models focusing on populations can improve the quality of care at a lower cost.

Quality improvement

21% decline in hospital-acquired conditions from 2010 to 2015:
- 125,000 lives saved.
- $28.2 billion in cost savings.

Bundled payments reduced Medicare payments

Results from a clinical trial using hard surfaces and linens infused with copper-oxide compounds:
- 78% overall reduction in multidrug-resistant organisms in a real-world clinical environment. This could prove to reduce health care-associated infections.

Analytics and quality

Global hospital expenditures on analytics are anticipated to reach $28.7 billion by 2020, up from $5.8 billion in 2015, as hospitals focus on quality and cost reduction.

Non-value added treatments

Excessive testing and treatment costs $200 billion annually. This overly aggressive testing can also harm patients, generating mistakes and injuries believed to cause 30,000 deaths each year.

1 in 5

- A workforce shortage in behavioral health
- More than half (55%) of hospital executives consider it very likely that by 2022 their hospital will have achieved improvements in value metrics (such as better patient outcomes, greater capacity, or reduced costs) through telementicine and virtual health-care solutions.
Patient engagement continues to rise

- 70% of patients say they have become more engaged with their health care during the past two years, up from 57% in 2016. The top two drivers are greater access to personal health records and online patient portals.
- 71% of providers say patient engagement is a top priority at their organizations, up from 60% in 2016. The top drivers are technology advancements and meaningful use requirements, both important to improving overall care.
- 95% of patients experience benefits from engagement with their personal health care information online. Benefits include becoming more knowledgeable about personal medical information and saving time.
- Providers say online patient portals have improved overall patient care, improved records tracking and increased office efficiency.

Consumerism

- Over the past ten years, two different purchaser trends — increased patient cost sharing at the point of service and a shift to outcomes-based payment — have converged to catalyze a move toward consumerism in the health care field.
- Health plans and providers both will be increasingly responsible for providing the education, information and tools that consumers need to take ownership of their health.

Telemedicine’s rapid growth

- 78% of consumers say they would be interested in receiving health care virtually some or most of the time.*
- 35% of employers offer telemedicine services on-site, which is expected to surpass 45% in the coming year. The global telemedicine market is expected to grow at a compound annual growth rate of 14.3%, more than doubling it from 2014 to 2020.**
- Remote monitoring and other technology-enabled care delivered at or near a patient’s home will become standard practice in the foreseeable future. Health systems that cannot provide such care will be at a competitive disadvantage.***

Cybersecurity remains a hot topic

- More than eight in 10 U.S. health care organizations will increase security spending in 2017.*
- One in five U.S. health care survey respondents had experienced a data breach in 2016, compared with the global average of 26%.*
- Data breaches cost the health care field approximately $6.2 billion each year, with the average breach incurring damages of $2.3 million and compromising 312,808 records per incident.**
- Although more records were breached in 2015 than in 2016, 2016 saw a greater number of breaches, the largest of which predominantly impacted provider organizations.**
- 67% of medical device manufacturers and 56% of health care delivery organizations think an attack is likely to occur within a year on a medical device they use.***

Health care organizations are most concerned about:

| RANSOMWARE | 69%** |
| PHISHING ATTACKS | 61%** |
| NEGLIGENCE INSIDERS | 55%** |

* 2017 “National Risk Report” from Her Majesty’s Government, June 2017
*** “2017 Healthcare Talent Scan,” American Hospital Association, 2017

By 2021, 99% of hospital executives think it at least somewhat likely that patients in their hospitals will demand a greater role in the planning of their treatment.

Health ownership by consumers

Three key dimensions can lead to a state of mind of “health ownership” for the consumer:

1. A deeper and more sustainable motivation to achieve or maintain good health.
2. Better decision-making — choosing high-value providers for the appropriate services.
3. Expectations of a better experience.

More than a healthcare recruiter.

Expert
Confidant
Negotiator
Advocate

19% Healthcare turnover
18% CEO turnover

Executive position most likely to leave following a CEO departure
“Utilizing Interim Leadership enables our organization to address critical needs and leverage a long-term plan for success.”
—Mike Slubowski, Former CEO, SCL Health, May 2017

2/3 of healthcare executives say finding quality candidates is the biggest challenge in filling executive vacancies

990 Recent healthcare placements
739 Interim Leadership
251 Executive Search

47/50 States with placements

BESmith.com
855.296.6318

GET TO KNOW B.E.Smith
an AMN Healthcare company
The health care system is evolving outside of the four walls of the hospital and into the community in an effort to manage and prevent chronic disease and improve the well-being of patients and the community.

### Chronic diseases are driving up health care spending

86% of the nation’s health care spending is for patients with one or more chronic conditions.*

### Seniors and their chronic conditions

- 25% of seniors on Medicare have four or more chronic conditions.
- Individuals with chronic conditions account for 93% of total Medicare spending.

Among beneficiaries with six or more chronic conditions:

- One-quarter had made at least three visits annually to the emergency department.
- Nearly half required a post-acute care stay.


### Outpatient facilities

Hospitals are investing more in outpatient facilities, from full-scale service centers to urgent care centers to stand-alone emergency departments.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Outpatient Revenue</th>
<th>Inpatient Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>28%</td>
<td>72%</td>
</tr>
<tr>
<td>2015</td>
<td>47%</td>
<td>53%</td>
</tr>
</tbody>
</table>

** “Hospital Trends for Statistics for Hospital,” American Hospital Association, May 2017

### High-need patients toll

(Adults with two or more major chronic conditions)

- 78% of the nation’s health care spending is for patients with multiple chronic conditions.*
- 62% of high-need patients report stress about material hardships, such as being unable to pay for housing, utilities, or nutritious meals, compared to 32% of other adults.**
- With better access to care and good patient-provider communication, high-need patients are less likely to delay essential care and less likely to go to the emergency department for nonurgent care, and thus less likely to accrue avoidable costs.***

* “Multiple Chronic Conditions Checkbook: 2011 Medical Expenditure Panel Survey Data,” Venetis Galvani, MPH et al., Agency for Healthcare Research and Quality, April 2011
** “ ”
*** “ ”

### Diabetes

- 54.9 million people will have diabetes in the U.S. in the year 2030, compared with 35.6 million in 2015. This represents a 54% increase.
- Diabetes will cost the nation more than $622 billion in 2030, up from roughly $408 billion in 2015.**

### Alzheimer’s disease

- The number of Americans 65 or older with Alzheimer’s disease is projected to increase from 5.4 million in 2015 to 15.5 million in 2050.
- The cost of care will rise from $135 billion in 2015 to $589 billion in 2050, and will represent nearly one in three Medicare beneficiaries.***

* **“ ”
** **“ ”
*** **“ ”

### NUTRITION

- Nearly 40% of American adults are obese.
- 24% of all Americans have at least one diet-related medical condition.*

### HOUSING

- Consumers want more nutritional advice from health care resources:
- 75% want advice from physicians.
- 59% want advice from pharmacies.

### VIOLENCE

- Proactive and reactive violence response efforts cost U.S. hospitals and health systems $2.7 billion in 2016. This includes:
  - $280 million related to preparedness and prevention to address community violence.
  - $825 million in unreimbursed medical care for victims of violence.
  - $1.2 billion in security and training costs to prevent violence within hospitals.
  - $249 million in medical care, staffing, indemnity and other costs as a result of violence against hospital employees.**

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### Social determinants of health

<table>
<thead>
<tr>
<th>Contribution to premature death</th>
<th>Disorders</th>
<th>Average life expectancy gain</th>
<th>Avoidable death rate decrease</th>
<th>Average life expectancy gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental exposure</td>
<td>15%</td>
<td>0.12</td>
<td>0.05</td>
<td>0.07</td>
</tr>
<tr>
<td>Genetic predisposition</td>
<td>10%</td>
<td>0.06</td>
<td>0.02</td>
<td>0.03</td>
</tr>
<tr>
<td>Health care</td>
<td>5%</td>
<td>0.03</td>
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</tr>
<tr>
<td>Behaviors</td>
<td>40%</td>
<td>0.38</td>
<td>0.19</td>
<td>0.29</td>
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### Expert insight

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— Howard R. Grant, M.D., J.D. (p. 25)

** Survey insight

By 2021, 47% of hospital executives believe most insured patients will belong to health plans that pay beneficiaries for meeting certain health targets, such as healthy blood pressure.**

* **“ ”
** **“ ”

### Future Scan

20% of the U.S. population lives in what is considered a rural area, and patients in these areas are more likely to have multiple chronic illnesses and higher mortality rates.

* ** “

** The Imperative for Strategic Workforce Planning and Development: Challenges and Opportunities,” http://www.aha.org/content/17/cpi-report.pdf
Coordination: Seamless care propelled by teams, technology, innovation and data

Better care coordination will organize patient care activities and information in an efficient and effective manner to achieve safer care with better outcomes. Teams, technology, data and innovation will spur the advancement of care coordination throughout the continuum of the delivery system. Clinical integration is a way to provide more efficient, coordinated care, decrease costs and expand the population served by high quality medical services.

The average Medicare patient sees seven physicians across four different practices

- 75% of those who are admitted to the hospital cannot identify the clinician responsible for their care.
- 20% of Medicare fee-for-service patients who are discharged from the hospital are readmitted within 30 days.
- The average primary care physician interacts with 229 physicians at 117 different practices for Medicare patients.
- Health service delivery fragmentation costs $130 billion annually.

Data and clinical decision-making

- The volume of electronic health care data doubles every 24 months.
- A physician would need to spend 29 hours each weekday to remain current with the latest medical literature.
- Although this massive amount of health care data is brimming with insights, organizations are struggling to unlock its full value.
- Leaders will need to adopt sophisticated systems that support and enhance decision-making in clinical settings and that enable success in risk-based payment arrangements.

TeamSTEPPS® shows results

TeamSTEPPS® is an evidence-based set of teamwork tools aimed at optimizing patient outcomes by improving communication and teamwork skills among health care professionals. After implementing a discharge intervention incorporating TeamSTEPPS® principles:

- Length of stay was reduced, providing cost savings to the hospital.
- Patient satisfaction improved.
- Readmission rates improved.


Electronic health records

The proprietary nature and standards for electronic health records likely will diminish, as field pressure opens up data repositories and personal data become more accessible.

- 2004 — one in five physicians used an electronic health record; today — nine in 10 physicians.

9 in 10 physicians use an electronic health record in their practices.

“Right Spots in Care Management in Medicare Advantage,” Robert Graham Center Policy Studies in Primary Medicine and Primary Care,” June 2017

Interoperability and privacy

All stakeholders must work with consumer groups to develop a protocol for unique patient identifiers that balance the societal expectation of privacy with the need to provide caregivers with potentially lifesaving comprehensive patient clinical data. This will help to achieve true data interoperability across electronic health record platforms.


Physician practice consolidation

The trend toward consolidation of physician practices in recent decades is accelerating. The proportion of physicians in groups of nine or fewer dropped from 40.1% in 2013 to 35.3% in 2015, while the proportion of those in groups of 100 or more increased from 29.6% to 35.1% during the same period.


Hospital field realignment

Between 2010 and 2015, the number of announced hospital mergers and acquisitions increased by 70%. This recent history, along with future demands, suggests that consolidations will continue. More affiliations between traditional and nontraditional organizations will take place. Hospitals get rapid access to new capabilities, while nontraditional providers organizations get rapid access to larger patient populations.*

Recent hospital mergers have:**

- Decreased costs — 1.5% reduction in annual operating expenses as acquired hospitals.
- Decreased capital and operating costs.
- Improved clinical standardization.
- Improved outcomes for patients and reduced readmission rates.

**Hospital Merger Benefits: Views from Hospital Leaders and Economists,” Monica Noether, Ph.D., and Sean May, Ph.D., Charles River Associates, January 2017

By 2022, 51% of hospital executives think it very likely that their hospital will implement secure, HIPAA-enabled cloud technology to promote collaboration and information sharing across the organization and among providers, regardless of location. Almost half (48%) of respondents think it very likely that physicians and other caregivers at their hospital will have access to computer-generated optimal care pathways for individual patients, based on the patient’s data and longitudinal data from comparable patients.
In 2015, a record $16.1 billion in venture capital funding was invested in U.S. health care companies.* Of that, $4.5 billion was invested in companies designing consumer-engagement tools and wearable devices.*

Advice from investors regarding telehealth:
- Think about how telehealth integrates into consumer solutions.
- Focus on how telehealth tools change the delivery system and sites of service.
- Major specialty growth areas within telehealth are tele-ICU, telestroke, and telebehavioral health.
- Platforms that manage particular high-utilization populations, like those with chronic care conditions, provide growth opportunities.**

Health care leaders’ top investment areas over the next three years:
- Data Analytics
- Care redesign efforts
- Patient experience improvement
- Care coordinator

*** “No Inventor’s Insight into Telehealth:” The National Law Review, May 3, 2017
**** “Ventral Industry Outlines: The Road to Value-Based Care,” Health Media, January/February 2017

Disruptive innovation
According to health care executives, clinical leaders and clinicians:
- 54% say disruptive innovation for hospitals and health systems will come from startups.
- 65% say hospitals and health systems are a health care sector most in need of disruptive innovation.
- 47% say health care it is a health care sector most in need of disruptive innovation.
- 36% say primary care is a health care sector most in need of disruptive innovation.

Innovation centers
Many health care organizations have established innovation centers to coordinate previously disjointed efforts. These centers have a median staff of six and a median annual budget of $1.9 million, although staff and funding vary widely.


CEO perspective
- Innovation is not limited to technology or bioscience, but extends across all aspects of operations. CEOs have to act and think differently to lead their organizations during this time of industry change.
- Regulatory uncertainty creates a vacuum that innovation will fill. Incumbent health systems have advantages in driving transformation — but if they don’t act, others will.
- Not all innovations are created equal. Transformative innovation delivers better value as measured by outcomes, prices and customer experience.


3-D printing
- By 2019, 10% of people in the developed world will be living with 3-D printed items or on in their bodies.
- By 2019, 3-D printing will be a central tool in more than one-third of surgical procedures involving prosthetics and implanted devices.
- The overall market for medical 3-D printing is expected to grow to $2.21 billion by 2020 from about $660 million in 2016.


Retailers and tech companies are moving into health care
More retailers and technology companies are getting involved in health care innovation. More than 90 startup companies are working on artificial intelligence applications in health care.* Algorithms analyze patients’ health, diagnose problems and design optimal personalized treatment plans.

The IBM Watson cognitive computing system:
- Reads 40 million documents in 15 seconds.
- Ingests an average of 27,000 new documents per day.
- Has a 90% successful diagnosis rate for lung cancer.**

Google Brain is applying its machine-learning expertise and working with hospitals to predict health outcomes from de-identified medical data.

Google

CVS Health has 50% of the retail clinic market share.
27% of emergency department visits could be handled at retail clinics and urgent care centers at a cost savings of about $4.4 billion per year.

“Building a Culture of Health: The Value Proposition of Retail Clinics,” Robert Wood Johnson Foundation, D. Bachrach et al., Manatt Health Solutions, vi, April 2017

Warby Parker will start to offer online vision tests.

Warby Parker says that innovation is a leadership imperative; 91% of survey respondents say it is at least somewhat likely that by 2022, one of their hospital’s strategic objectives will be to increase the innovation skills of its leadership.

Hospitals recognize that innovation is a leadership imperative; 91% of survey respondents say it is at least somewhat likely that by 2022, one of their hospital’s strategic objectives will be to increase the innovation skills of its leadership.
How is the American Hospital Association anticipating the future in this era of uncertainty and rapid change?

The AHA is well-prepared to assist the hospital field by addressing the many scenarios that could come to fruition in the coming years. We have embedded the strategies of Advocacy and Representation, Thought Leadership, Knowledge Exchange and Change Agency throughout our programs and services. Through these approaches, we have crafted an innovation strategy across the AHA to accelerate health care’s transformation to new delivery and payment models and address affordability. We also have a leadership team devoted to innovative solutions and partnerships so we can rapidly respond to opportunities and challenges in the environment. Our innovation strategy involves the advancement of data-driven solutions to provide field-leading information, individualized member experiences, proactive analytics and tools that support our members. These strategies will complement and amplify our advocacy efforts.

What does health care leadership look like in this volatile environment?

Leaders in health care need to assess the realities of their particular situations, and balance their current circumstances with the need to envision and prepare for the future. This will entail asking pertinent questions, looking for new solutions, supporting a nimble environment, and being receptive to new partnerships and models of care delivery. Leaders have to rely on their teams, including governance, management, clinicians and staff, to develop and implement these solutions. This will require dedication of resources to substantial communication, training and culture change. Find and nurture the champions of new approaches in your organization who can then spread the word to colleagues. Always remember to ground your programs and services in the mission and purpose of your organization. And remember to celebrate successes and tell your story as it evolves — this provides inspiration to your employees and affirms the important role hospitals and health systems play in the community.

In terms of advocacy, we are living in a time when there is no clear federal vision for health care in America. Health care leaders are courageously stepping up in this vacuum to actively shape the future. We need our leaders to continue to use their voices and mobilize their stakeholders and employees to influence efforts in the interest of patients and the communities we serve.

Maryjane Wurth is Executive Vice President and Chief Operating Officer of the American Hospital Association and President and CEO of Health Forum.
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